

If you are in doubt as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your securities in Chia Hsin Cement Greater China Holding Corporation 嘉新水泥(中國)控股股份有限公司*, you should at once hand this circular and the enclosed form of proxy to the purchaser, transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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嘉新水泥（中國）控股股份有限公司*

Chia Hsin Cement Greater China Holding Corporation

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 699)

**PROPOSED GRANTING OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES**

AND

PROPOSED RE-ELECTION OF RETIRING DIRECTORS

A notice convening an Annual General Meeting of Chia Hsin Cement Greater China Holding Corporation (the “Company”) to be held at Kellett Room I, 3/F, The Excelsior, Hong Kong, 281 Gloucester Road, Causeway Bay, Hong Kong on Tuesday, 22 May 2007 at 3:00 p.m. is set out on pages 19 to 21 of this circular. Whether or not you are able to attend the Annual General Meeting, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company’s Share Registrar in Hong Kong, Tricor Investor Services Limited, at 26/F, Tesbury Centre, 28 Queen’s Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the meeting and any adjourned meeting (as the case may be) if you so wish.

* For identification purpose only

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context otherwise requires:

“Annual General Meeting”	the annual general meeting of the Company to be held at Kellett Room I, 3/F, The Excelsior, Hong Kong, 281 Gloucester Road, Causeway Bay, Hong Kong on Tuesday, 22 May 2007 at 3:00 p.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the annual general meeting which is set out on pages 19 to 21 of this circular, or any adjournment thereof
“Articles of Association”	existing articles of association of the Company with the latest amendments adopted and approved by the Shareholders in the last annual general meeting of the Company held on 6 June 2006
“Board”	the board of Directors
“CHC”	Chia Hsin Cement Corporation, the ultimate controlling Shareholder of the Company
“CHPL”	Chia Hsin Pacific Limited, a company incorporated in the Cayman Islands with limited liability and a controlling Shareholder of the Company
“Company”	Chia Hsin Cement Greater China Holding Corporation, an exempted company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the main board of the Stock Exchange
“Directors”	the directors of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	10 April 2007, being the latest practicable date for ascertaining certain information referred to in this circular prior to the printing of this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, for the purpose of this circular, excludes Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Reminbi, the lawful currency of the PRC

DEFINITIONS

“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Shareholders”	holders of Shares
“Shares”	shares of US\$0.01 each in the share capital of the Company
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Codes on Takeovers and Mergers issued by the Securities and Futures Commission in Hong Kong
“US\$”	United States dollars, the lawful currency of the United States
“%”	per cent



嘉新水泥（中國）控股股份有限公司*

Chia Hsin Cement Greater China Holding Corporation

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 699)

Executive Directors:

WANG Chien Kuo, Robert (*Chairman*)
LAN Jen Kuei, Konrad (*Vice Chairman*)
CHANG Kang Lung, Jason (*Managing Director*)
WANG Li Shin, Elizabeth

Non-Executive Directors:

CHANG An Ping, Nelson
FU Ching Chuan

Independent Non-Executive Directors:

Davin A. MACKENZIE
ZHUGE Pei Zhi
WU Chun Ming

Registered office:

P.O. Box 309GT
Ugland House
South Church Street
George Town
Grand Cayman
Cayman Islands

Place of business in China:

4100 Longwu Road
Shanghai, 201108

*Principal place of business
in Hong Kong:*

Unit No. 1907, 19/F
9 Queen's Road Central
Hong Kong

16 April 2007

To the Shareholders

Dear Sir or Madam,

**PROPOSED GRANTING OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES
AND
PROPOSED RE-ELECTION OF RETIRING DIRECTORS**

I. INTRODUCTION

The purpose of this circular is to provide you with information relating to the resolutions to be proposed at the Annual General Meeting relating to (i) the general mandates to repurchase the Company's fully-paid up Shares and to issue new Shares and (ii) the re-election of the retiring Directors.

* For identification purpose only

LETTER FROM THE BOARD

II. PROPOSED GRANTING OF THE BUYBACK AND ISSUANCE MANDATES

On 6 June 2006, general mandates were given to the Directors to exercise the powers of the Company to repurchase Shares of the Company and to issue new Shares of the Company respectively. Such mandates will lapse at the conclusion of the Annual General Meeting.

Ordinary resolutions will be proposed at the Annual General Meeting to approve the grant of new general mandates to the Directors:

- (a) Ordinary resolution no. 4: to purchase Shares of the Company on the Stock Exchange of an aggregate nominal amount of up to 10% of the aggregate nominal amount of the issued share capital of the Company at the date of the Annual General Meeting (the “Buyback Mandate”);
- (b) Ordinary resolution no. 5: to allot, issue or deal in Shares of an aggregate nominal amount of up to 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of the Annual General Meeting (i.e. US\$2,285,800 comprising 228,580,000 Shares of US\$0.01 each on the basis that as at the Latest Practicable Date, the issued share capital of the Company was US\$11,429,000 comprising of 1,142,900,000 Shares of US\$0.01 each and no Shares are issued or repurchased by the Company prior to the date of Annual General Meeting) (the “Issuance Mandate”); and
- (c) Ordinary resolution no. 6: to extend the Issuance Mandate by an amount representing the aggregate nominal amount of the Shares repurchased by the Company pursuant to and in accordance with the Buyback Mandate.

The Buyback Mandate and the Issuance Mandate will continue in force until the conclusion of the next annual general meeting of the Company or any earlier date as referred to in ordinary resolutions nos. 4 and 5 set out in the notice of the Annual General Meeting.

Shareholders should refer to the Explanatory Statement contained in Appendix A of this circular which sets out further information in relation to the proposed Buyback Mandate as required by the Listing Rules.

III. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

Pursuant to article 112 of the Articles of Association, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third shall retire from office by rotation, provided that every Director (including those appointed for a specific term or holding office as Chairman or Managing Director) shall be subject to retirement by rotation at least once every three years or within such other period as the Stock Exchange may from time to time prescribe or within such other period as the laws of such jurisdiction applicable to the Company. The Directors to retire in every year shall include (so far as necessary to ascertain the number of Directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last

LETTER FROM THE BOARD

re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree between themselves) be determined by lot. A retiring Director shall retain office until the close of the meeting at which he retires, and shall be eligible for re-election thereafter.

In addition, pursuant to article 95 of the Articles of Association, the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the first general meeting of the Company after his appointment and shall be eligible for re-election at that meeting provided that any Director who so retires shall not be taken into account in determining the number of Directors who are to retire at such meeting by rotation pursuant to article 112.

According to article 112 of the Articles of Association, Mr CHANG An Ping, Nelson, Mr Davin A. MACKENZIE, Mr ZHUGE Pei Zhi and Mr WU Chung Ming shall retire from office by rotation at the Annual General Meeting whereas according to article 95 of the Articles of Association, Mr FU Ching Chuan shall hold office until the Annual General Meeting. All of the above five retiring Directors, being eligible, will offer themselves for re-election at the Annual General Meeting. Details of Mr CHANG An Ping, Nelson, Mr Davin A. MACKENZIE, Mr ZHUGE Pei Zhi, Mr WU Chung Ming and Mr FU Ching Chuan which are required to be disclosed by the Listing Rules are set out in Appendix B of this circular.

IV. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 19 to 21 of this circular. At the Annual General Meeting, ordinary resolutions will be proposed to approve, inter alia, the granting of the Buyback Mandate and the Issuance Mandate and the extension of the Issuance Mandate by the addition thereto of the number of Shares repurchased pursuant to the Buyback Mandate.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such proxy form is also published on the website of the Stock Exchange (www.hkex.com.hk). In order to be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority at the Company's Share Registrar in Hong Kong, Tricor Investor Services Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong, not less than 48 hours before the time appointed for holding the Annual General Meeting. Completion and return of the proxy form will not preclude you from attending and voting at the aforesaid meeting if you so wish.

V. RECOMMENDATION

The Directors are of the opinion that the proposed granting of the Buyback Mandate, the granting/extension of Issuance Mandate and the proposed re-election of retiring Directors are all in the best interests of the Company and its Shareholders. Accordingly, the Directors recommend you to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting on the terms set out in the notice of that meeting.

LETTER FROM THE BOARD

VI. GENERAL INFORMATION

Your attention is also drawn to the additional information set out in the Appendix A (Explanatory Statement on the Buyback Mandate), Appendix B (Details of Directors proposed to be re-elected at Annual General Meeting) and Appendix C (Procedure by which Shareholders may demand a poll at general meeting pursuant to the Articles of Association) to this circular.

Yours faithfully

By Order of the Board

Chia Hsin Cement Greater China Holding Corporation

WANG Chien Kuo, Robert

Chairman

The following is the explanatory statement required to be sent to Shareholders under the Listing Rules to enable them to make an informed decision on whether to vote for or against the ordinary resolution in relation to the granting of Buyback Mandate to be proposed at the Annual General Meeting.

1. REASONS FOR SHARE BUYBACK

The Directors believe that the proposed granting of the Buyback Mandate is in the interests of the Company and its Shareholders.

Repurchases of Shares may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share. The Directors are seeking the granting of the Buyback Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company was US\$11,429,000 comprising of 1,142,900,000 Shares of US\$0.01 each.

Subject to the passing of ordinary resolution no. 4 set out in the notice of the Annual General Meeting in respect of the granting of the Buyback Mandate and on the basis that no Shares are issued or repurchased by the Company prior to the date of the Annual General Meeting, the Directors would be authorized under the Buyback Mandate to repurchase a maximum of 114,290,000 Shares (representing 10% of the Shares in issue as at the Latest Practicable Date) during the period in which the Buyback Mandate remains in force.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association, the Articles of Association, the Listing Rules, the laws of the Cayman Islands and/or any other applicable laws.

The Company is empowered by its memorandum of association and the Articles of Association to repurchase Shares and it intends to use profits of the Company or the proceeds of a fresh issue of shares made for the purposes of the repurchases, which will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

4. IMPACT OF REPURCHASES

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the financial position disclosed in its latest published audited financial statements for the year ended 31 December 2006) in the event that the Buyback Mandate was to be

carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Buyback Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. TAKEOVERS CODE

If, on the exercise of the power to repurchase Shares pursuant to the Buyback Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code for all the Shares not already owned by such Shareholder or group of Shareholders.

As at the Latest Practicable Date, CHPL was interested in 814,000,000 Shares, representing approximately 71.22% of the issued Shares of the Company. CHC was interested in approximately 69.74% of the equity interests in CHPL. In addition, each of CHC and Tong Yang Chia Hsin International Corporation (a subsidiary of CHC which is owned as to 87.18% of the equity interests by CHC) is interested in approximately 19.33% and 20.18% of the equity interests in International Chia Hsin Corp. which in turn is interested in 10,508,000 Shares, representing approximately 0.92% of the issued Shares of the Company. CHC is therefore deemed to be interested in 824,508,000 Shares, representing approximately 72.14% of the issued Shares of the Company. On the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, in the event that the Directors exercise in full the power to repurchase Shares of the Company in accordance with the terms of the ordinary resolution to be proposed at the Annual General Meeting, the interests of CHC would be increased to approximately 80.16%. The Directors will not make repurchase of Shares if the result of the repurchase would be that less than 25% of the issued share capital of the Company would be in public hands.

Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Buyback Mandate.

6. GENERAL

None of the Directors nor, to the best of their knowledge and having made all reasonable enquiries, their associates (as defined in the Listing Rules), have any present intention to sell any Shares held by them to the Company in the event that the Buyback Mandate is approved by the Shareholders.

No connected person has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to sell any of the Shares held by them to the Company in the event that the Buyback Mandate is granted.

The Directors have undertaken to the Stock Exchange to exercise the Buyback Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

7. MARKET PRICES OF SHARES

The highest and lowest prices per Shares at which the Shares have been traded on the Stock Exchange during each of the previous 12 months and up to the Latest Practicable Date were as follows:

Month	Shares	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2006		
April	1.23	0.98
May	1.18	1.05
June	1.29	0.99
July	1.03	0.91
August	1.00	0.86
September	1.20	0.94
October	1.20	0.90
November	1.44	1.00
December	1.45	1.26
2007		
January	1.38	1.10
February	1.36	1.21
March	1.42	1.10
April (up to the Latest Practicable Date)	1.39	1.28

8. REPURCHASES OF SHARES MADE BY THE COMPANY

During the six months preceding the Latest Practicable Date, the Company has not repurchased any of its Shares (whether on the Stock Exchange or otherwise).

Pursuant to the Listing Rules, the details of the Directors who will retire at the Annual General Meeting according to the Articles of Association of the Company and will be proposed to be re-elected at the Annual General Meeting are provided below:

Mr CHANG An Ping, Nelson, aged 55, a non-executive Director

Position, experience, other major appointments and qualifications

Mr CHANG An Ping, Nelson (“Mr CHANG”) was appointed as a non-executive Director on 10 June 2003. Mr CHANG graduated from New York University in 1976 with a master degree in business administration. Mr CHANG is the vice chairman of CHC and Taiwan Cement Corporation and holds certain non-executive positions in the CHC group. He is the chairman of China Network Systems Co., Ltd. He is also a director of China Synthetic Rubber Corp. (a corporation listed on the Taiwan Stock Exchange). Mr CHANG, in his capacity as the vice chairman of the Chinese Association of Industry and Commerce, is involved heavily in civic organizations and public affairs. He currently serves as the vice chairman of Pacific Economic Cooperation Council, Chinese Taipei as well as a director of the Straits Exchange Foundation. Mr CHANG is also a director of Chia Hsin Jingyang Cement Co., Ltd. (“Jingyang Cement”), an indirectly wholly owned subsidiary of the Company.

Mr CHANG is also a director of the following CHC’s group companies:

1. CHC;
2. CHPL; and
3. Tong Yang Chia Hsin International Corporation.

Save as aforesaid, Mr CHANG does not hold any other position with the Company or any member of the Company’s group and he has not held any directorship in other listed public companies in the last three years.

Length of service

Mr CHANG entered into a service contract with the Company for a term commencing from 25 May 2006 and expiring on the Annual General Meeting, until terminated by one month’s prior notice given by either side. Mr CHANG’s appointment is also subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. The provisions of the Articles of Association in respect of such directors’ retirement and re-election have been set out in paragraph III of the Letter from the Board in this circular.

Relationships with Directors, senior management or substantial/controlling Shareholders

Mr CHANG is the brother-in-law of Mr WANG Chien Kuo, Robert, an executive Director and uncle of two executive Directors, Mr CHANG Kang Lung, Jason and Ms WANG Li Shin, Elizabeth and relative of Mr LAN Jen Kuei, Konrad, an executive Director.

Save as aforesaid, Mr CHANG does not have any relationship with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules) of the Company.

Interests in securities

As at the Latest Practicable Date, Mr CHANG was holding the interests in shares of the Company's associated corporations within the meaning of Part XV of the SFO as follows:

Number of ordinary shares (long position)

Name of Company	Interest of controlled corporation	Personal interests	Family interests	Total number of shares	Approximate percentage of issued share capital (%)
CHC	10,646,179	2,295,527	202,640	13,144,346	1.94
CHPL	272,200	—	—	272,200	1.21
Tong Yang Chia Hsin International Corporation	—	240,456	—	240,456	0.11
Chia Hsin Construction and Development Corp.	—	288	—	288	0.01

Save as aforesaid, Mr CHANG is not interested or deemed to be interested in any other Shares or underlying shares of the Company.

Director's emoluments

Pursuant to the service contract entered into between Mr CHANG and the Company, Mr CHANG is entitled to a fee of HK\$100,000 per annum.

The above emoluments are determined by the Board by reference to the remuneration benchmark in the industry and the prevailing market conditions.

Matters that need to be brought to the attention of the Shareholders

There is no information to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there are no other matters concerning Mr CHANG that need to be brought to the attention of the Shareholders of the Company.

Mr FU Ching Chuan, aged 59, a non-executive Director*Position, experience, other major appointments and qualifications*

Mr FU Ching Chuan (“Mr FU”) was appointed as a non-executive Director of the Company on 21 March 2007. Mr FU has over 25 years of experience in the cement industry and cement-related business. Mr FU is a director of CHC and a supervisor of China Hi-Ment Corporation (a corporation listed on the Taiwan Stock Exchange). Mr FU is a supervisor of Chia Hsin Construction and Development Corp., an associate of CHC and a director of the following CHC’s group companies:

1. Jingyang Cement;
2. Chia Hsin Marine Corp.; and
3. Tong Yang Chia Hsin International Corporation.

Save as aforesaid, Mr FU does not hold any other position with the Company or any member of the Company’s group and he has not held any directorship in other listed public companies in the last three years.

Length of service

Mr FU entered into a service contract with the Company for a term commencing from 21 March 2007 and expiring on the next annual general meeting of the Company and subject to renewal on an annual basis (save and except that his initial term of appointment will expire until the 2008 annual general meeting of the Company but shall be subject to retirement for re-election at the Annual General Meeting in accordance with the Articles of Association), until terminated by one month’s prior notice given by either side. Mr FU’s appointment is also subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. The provisions of the Articles of Association in respect of such directors’ retirement and re-election have been set out in paragraph III of the Letter from the Board in this circular.

Relationships with Directors, senior management or substantial/controlling Shareholders

Save as aforesaid, Mr FU does not have any relationship with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules) of the Company.

Interests in securities

As at the Latest Practicable Date, Mr FU was holding the interests in shares of the Company and its associated corporations within the meaning of Part XV of the SFO as follows:

Name of Company	Number of ordinary shares (long positions)			Total number of shares	Approximate percentage of issued share capital (%)
	Interest of controlled corporation	Personal interests	Family interests		
The Company	—	—	372,000	372,000	0.03
CHC	—	808,479	—	808,479	0.11
Tong Yang Chia Hsin International Corporation	—	42,237	—	42,237	0.02

Save as aforesaid, Mr FU is not interested or deemed to be interested in any other Shares or underlying shares of the Company.

Director's emoluments

Pursuant to the service contract entered into between Mr FU and the Company, Mr FU is entitled to a fee of HK\$100,000 per annum.

The above emoluments are determined by the Board by reference to the remuneration benchmark in the industry and the prevailing market conditions.

Matters that need to be brought to the attention of the Shareholders

There is no information to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there are no other matters concerning Mr FU that need to be brought to the attention of the Shareholders of the Company.

Mr Davin A. MACKENZIE, aged 47, an independent non-executive Director*Position, experience, other major appointments and qualifications*

Mr Davin A. MACKENZIE (“Mr MACKENZIE”) joined the Company as an independent non-executive Director on 23 June 2003. He has a bachelor degree in arts from Dartmouth College, USA, a master degree in business administration from Wharton School, USA and a master degree in arts in international studies from the University of Pennsylvania, USA. Mr MACKENZIE also attended the World Bank Executive Development Program at Harvard Business School, USA in 1999. Mr MACKENZIE is the managing director and the Beijing representative of Peak Capital, a private

equity firm. Prior to this, Mr MACKENZIE was with the International Finance Corporation (“IFC”) for 7 years from 1993 to 2000. During the last 4 years with the IFC, Mr MACKENZIE was its resident representative in the PRC. While with the IFC, Mr MACKENZIE spearheaded the corporation’s activities in indigenous private sector financing, state owned enterprise restructuring, western province investment and financial sector development and oversaw the growth of IFC’s PRC portfolio of over 40 investments of approximately US\$1.2 billion in commitments. He also led a number of advisory initiatives with the PRC government including projects related to foreign direct investment, private infrastructure and domestic private sector development. Prior to the IFC, Mr MACKENZIE worked for Mercer Management Consulting in Washington, USA. In addition, he is also a director of Sinolink Worldwide Holdings Limited (a corporation listed on the Stock Exchange), Enerchina Holdings Limited (a corporation listed on the Stock Exchange), AsiaInfo Holdings (a corporation listed on the NASDAQ) and The9 Limited (a corporation listed on the NASDAQ). He is currently a member of the management committee of Sports Beijing.

Save as aforesaid, Mr MACKENZIE does not hold any other position with the Company or any member of the Company’s group and he has not held any directorship in other listed public companies in the last three years.

Length of service

Mr MACKENZIE entered into a service contract with the Company for a term commencing from 25 May 2006 and expiring on the Annual General Meeting, until terminated by one month’s prior notice given by either side. Mr MACKENZIE’s appointment is also subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. The provisions of the Articles of Association in respect of such directors’ retirement and re-election have been set out in paragraph III of the Letter from the Board in this circular.

Relationships with Directors, senior management or substantial/controlling Shareholders

Mr MACKENZIE does not have any relationship with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules) of the Company.

Interests in securities

As at the Latest Practicable Date, Mr MACKENZIE does not hold any interest in shares of the Company and its associated corporations within the meaning of Part XV of the SFO.

Director’s emoluments

Pursuant to the service contract entered into between Mr MACKENZIE and the Company, Mr MACKENZIE is entitled to a fee of HK\$100,000 per annum. Mr MACKENZIE, in his capacity as the chairman of the audit committee and the remuneration committee of the Company, is rewarded an addition of HK\$20,000 per chairmanship per annum.

The above emoluments are determined by the Board by reference to the remuneration benchmark in the industry and the prevailing market conditions.

Matters that need to be brought to the attention of the Shareholders

There is no information to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there are no other matters concerning Mr MACKENZIE that need to be brought to the attention of the Shareholders of the Company.

Mr ZHUGE Pei Zhi, aged 65, an independent non-executive Director

Position, experience, other major appointments and qualifications

Mr ZHUGE Pei Zhi (“Mr ZHUGE”) joined the Company as an independent non-executive Director on 23 June 2003. Mr ZHUGE has completed series of courses in business administration from the Chinese University of Hong Kong and Shanghai Jiao Tong University. He also has a degree in silicate chemical from the Beijing Institute of Construction Technology. Mr ZHUGE is qualified as a senior engineering professor. He is currently the vice president of the China Cement Association, the president of Shanghai Cement Association, and the vice president of Shanghai Construction Committee, Science and Technology Committee.

Save as aforesaid, Mr ZHUGE does not hold any other position with the Company or any member of the Company’s group and he has not held any directorship in other listed public companies in the last three years.

Length of service

Mr ZHUGE entered into a service contract with the Company for a term commencing from 25 May 2006 and expiring on the Annual General Meeting, until terminated by one month’s prior notice given by either side. Mr ZHUGE’s appointment is also subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. The provisions of the Articles of Association in respect of such directors’ retirement and re-election have been set out in paragraph III of the Letter from the Board in this circular.

Relationships with Directors, senior management or substantial/controlling Shareholders

Mr ZHUGE does not have any relationship with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules) of the Company.

Interests in securities

As at the Latest Practicable Date, Mr ZHUGE does not hold any interest in shares of the Company and its associated corporations within the meaning of Part XV of the SFO.

Director's emoluments

Pursuant to the service contract entered into between Mr ZHUGE and the Company, Mr ZHUGE is entitled to a fee of HK\$100,000 per annum.

The above emoluments are determined by the Board by reference to the remuneration benchmark in the industry and the prevailing market conditions.

Matters that need to be brought to the attention of the Shareholders

There is no information to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there are no other matters concerning Mr ZHUGE that need to be brought to the attention of the Shareholders of the Company.

Mr WU Chun Ming, aged 68, an independent non-executive Director*Position, experience, other major appointments and qualifications*

Mr WU Chun Ming ("Mr WU") joined the Company as an independent non-executive Director on 26 November 2003. Mr WU has a bachelor degree in business administration from Ta-Tung Engineering College. Mr WU is at present holding the following offices: chairman of the Taiwan Cement Manufacturers' Association; corporate supervisor of Universal Cement Corporation; director of the Taiwan External Trade Council, Taipei, Taiwan; director of Mr WU San-lien Awards Foundation, Taipei, Taiwan. Mr WU has accumulated over 40 years of management experience in the cement industry in Taiwan.

Save as aforesaid, Mr WU does not hold any other position with the Company or any member of the Company's group and he has not held any directorship in other listed public companies in the last three years.

Length of service

Mr WU entered into a service contract with the Company for a term commencing from 25 May 2006 and expiring on the Annual General Meeting, until terminated by one month's prior notice given by either side. Mr WU's appointment is also subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. The provisions of the Articles of Association in respect of such directors' retirement and re-election have been set out in paragraph III of the Letter from the Board in this circular.

Relationships with Directors, senior management or substantial/controlling Shareholders

Mr WU does not have any relationship with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules) of the Company.

Interests in securities

As at the Latest Practicable Date, Mr WU does not hold any interest in shares of the Company and its associated corporations within the meaning of Part XV of the SFO.

Director's emoluments

Pursuant to the service contract entered into between Mr WU and the Company, Mr WU is entitled to a fee of HK\$100,000 per annum.

The above emoluments are determined by the Board by reference to the remuneration benchmark in the industry and the prevailing market conditions.

Matters that need to be brought to the attention of the Shareholders

There is no information to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there are no other matters concerning Mr WU that need to be brought to the attention of the Shareholders of the Company.

**APPENDIX C PROCEDURE BY WHICH SHAREHOLDERS MAY DEMAND A POLL AT
GENERAL MEETING PURSUANT TO THE ARTICLES OF ASSOCIATION**

The following is setting out the procedure by which the Shareholders may demand a poll at the Annual General Meeting.

According to the Articles of Association of the Company, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is duly demanded. A poll may be demanded by:

- (a) the Chairman of the meeting; or
- (b) at least five Shareholders present in person (or in the case of a corporation, by its duly authorised representative) or by proxy and entitled to vote; or
- (c) any Shareholder or Shareholders present in person or in the case of a corporation, by its duly authorised representative or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all Shareholders having the right to attend and vote at the meeting; or
- (d) any Shareholder or Shareholders present in person (or in the case of a corporation, by its duly authorised representative) or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all Shares conferring that right.



嘉新水泥（中國）控股股份有限公司*

Chia Hsin Cement Greater China Holding Corporation

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 699)

NOTICE IS HEREBY GIVEN THAT an Annual General Meeting of the Members of Chia Hsin Cement Greater China Holding Corporation (the “Company”) will be held at Kellett Room I, 3/F, The Excelsior, Hong Kong, 281 Gloucester Road, Causeway Bay, Hong Kong on Tuesday, 22 May 2007 at 3:00 p.m. for the following purposes:

1. To receive and consider the Audited Consolidated Financial Statements and the Reports of the Directors and of the Auditors for the year ended 31 December 2006.
2. To re-elect Directors and to authorise the Board of Directors to fix the Directors’ remuneration.
3. To consider the appointment of Auditors and to authorise the Board of Directors to fix their remuneration.
4. As special business, to consider and, if thought fit, pass with or without modification the following resolution as an ordinary resolution:

“THAT:

- (a) Subject to paragraphs (b) and (c) of this resolution, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as defined below) of all the powers of the Company to repurchase issued shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or requirements of the Stock Exchange or any other stock exchange as amended from time to time, be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall, in addition to any other authorisation given to the Directors, authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to purchase its own shares at a price to be determined by the Directors;
- (c) the aggregate nominal amount of the issued shares of the Company to be repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution and the said approval shall be limited accordingly; and

* For identification purpose only

NOTICE OF THE ANNUAL GENERAL MEETING

(d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or its articles of association to be held; or
- (iii) the revocation or variation of the authority granted under this resolution by an ordinary resolution of the shareholders of the Company in general meetings.”

5. As special business, to consider and, if thought fit, pass with or without modification the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraphs (b) and (c) below and without prejudice to the resolution numbered 6 set out in the notice of this Meeting, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as defined in resolution numbered 4(d) set out in the notice of this Meeting) of all the powers of the Company to allot, issue and deal with shares in the capital of the Company or securities convertible into shares or options, warrants or similar rights to subscribe for any shares in the Company and to make or grant offers, agreements and options which might require the exercise of such power, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall, in addition to any other authorisation given to the Directors, authorise the Directors during the Relevant Period to make or grant offers, agreements or options (including warrants or similar rights to subscribe for any shares in the Company) which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of securities allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the Directors pursuant to the approval given in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); (ii) the exercise of the rights of subscription or conversion under the terms of any securities or bonds which are convertible into any shares in the capital of the Company; (iii) any options granted or issue of shares under any share option scheme or similar arrangement for the time being adopted by the Company, or (iv) any scrip dividend schemes or similar arrangements providing for the allotment of shares in lieu of the whole or part of a dividend on shares in accordance with the articles of association of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution and the said approval shall be limited accordingly; and

NOTICE OF THE ANNUAL GENERAL MEETING

(d) for the purposes of this resolution:

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares on the Register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

6. As special business, to consider and, if thought fit, pass with or without modification the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the resolutions numbered 4 and 5 set out in the notice of this Meeting, the aggregate nominal amount of the shares in the Company which are repurchased by the Company pursuant to and in accordance with the said resolution numbered 4 shall be added to the aggregate nominal amount of the shares in the Company that may be allotted, issued or dealt with or agreed conditionally or unconditionally by the directors of the Company pursuant to and in accordance with the said resolution numbered 5.”

Yours faithfully

By Order of the Board

Chia Hsin Cement Greater China Holding Corporation

WANG Chien Kuo, Robert

Chairman

Hong Kong, 16 April 2007

Notes:

- (a) The Register of Members of the Company will be closed from Wednesday, 16 May 2007 to Tuesday, 22 May 2007 (both days inclusive), during which period no transfer of shares can be registered. In order to qualify for attending the above Meeting, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company’s Share Registrar in Hong Kong, Tricor Investor Services Limited at 26/F, Tesbury Centre, 28 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 15 May 2007.
- (b) Any member entitled to attend and vote at the Meeting may appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
- (c) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, must be lodged with the Company’s Share Registrar in Hong Kong, Tricor Investor Services Limited at 26/F, Tesbury Centre, 28 Queen’s Road East, Hong Kong not less than 48 hours before the time fixed for holding the Meeting or any adjourned meeting thereof (as the case may be).